

**THIS INSTRUMENT PREPARED BY
AND RETURN TO:**

M. Anderson Cobb, Jr.
Harris Shelton Hanover Walsh, PLLC
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RETURN TO:

MIKE HEWLEY, ATTY
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4/27/07 3:07:28 MC
BK 2,706 PG 491
DESOTO COUNTY, MS
W.E. DAVIS, CH CLERK

COLLATERAL ASSIGNMENT, PLEDGE AND SECURITY AGREEMENT

THIS COLLATERAL ASSIGNMENT, PLEDGE AND SECURITY AGREEMENT ("Collateral Assignment") is made and entered this 21st day of February, 2007, by and between **COMMUNITY MORTGAGE CORPORATION**, a Tennessee corporation ("Assignor"), and **INDEPENDENT BANK**, a Tennessee banking corporation ("Assignee").

WHEREAS, Assignor is indebted to Assignee as evidenced by that certain Promissory Note (the "Note") dated February 21, 2007, in the original principal amount of Five Hundred Forty-One Thousand and NO/Dollars (\$541,000.00), executed by the Assignor and payable to the order of the Assignee (the "Loan"); and

WHEREAS, Assignor and Assignee have agreed that, as security for the Loan, Assignor shall execute and deliver to Assignee this Collateral Assignment.

1. For good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby pledge, mortgage, assign, transfer, grant, convey and hypothecate to the Assignee, and does hereby grant to the Assignee a security interest in, all of the Assignor's right, title and interest in and to each and all of the following (the "Pledged Collateral"):

(a) the indebtedness (the "Pledged Loan") evidenced by that certain promissory note ("Pledged Note") dated February 21, 2007, executed by Cade Peeper Builder, LLC ("Grantor"), payable to the order of the Assignor in the principal amount of Five Hundred Forty-One Thousand and NO/Dollars (\$541,000.00), together with all renewals, modifications, amendments, assignments, extensions and substitutions thereof;

(b) that certain Mississippi Deed of Trust ("Trust Deed") dated February 21, 2007 executed by the Grantor and securing the indebtedness evidenced by the Pledged Note, and recorded with the Office of the Chancery Clerk of DeSoto County, Mississippi at 2667, together with all renewals, modifications, amendments, assignments, extensions and substitutions thereof;

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(c) all other documents, agreements or instruments evidencing, governing, securing or executed in connection with the Pledged Loan, as well as any and all renewals, modifications, amendments, assignments, extensions and substitutions thereof, including, but not limited to, any assignment of rents, guaranties of payment, guaranties of completion, pledge agreements, indemnification agreements, assignments of stock or partnership units, title insurance policies with endorsements, tax and insurance escrow, deposit or escrow of any kind, fire and casualty insurance policy, other insurance policies, any payment, performance or contractor's bonds, and any other document, agreement or instrument under which legal rights or obligations are created or exist, if any, provided by the Grantors to Assignor, or either of them, and held by Assignor, or either of them, under the Pledged Loan; and

(d) all proceeds, in cash or otherwise, of the Pledged Collateral described in clauses 1(a) through (d) (including, without limitation, the proceeds of any sale or other disposition of such Pledged Collateral and all insurance and condemnation proceeds of any kind paid at any time in connection with such Pledged Collateral), all liens and security interests with respect to such Pledged Collateral, and all rights, remedies and claims (whether in the nature of indemnities, warranties, guaranties or otherwise) of Assignor with respect to such Pledged Collateral, including, without limitation, the right of Assignor to bring suit to enforce its rights with respect to such Pledged Collateral, in any case whether now existing or hereafter at any time or from time to time arising;

in each case, whether now owned or hereafter acquired by the Assignor and howsoever Assignor's interest therein may arise or appear (whether by ownership, security interest, claim or otherwise). The Pledged Note, the Trust Deed

and all other documents referred to in Sections 1(c) and 1(d) above are sometimes hereafter referred to as the "Pledged Documents".

2. This Collateral Assignment is made as security for the following (the "Obligations"):

(a) the prompt payment by the Assignor, as and when due and payable, of all amounts from time to time owing under or pursuant to the Note, together with all renewals, modifications and extensions thereof, in whole or in part, or any instrument given to secure the same;

(b) the prompt payment and performance of any and all other present and future indebtednesses and obligations of Assignor to Assignees of every kind, character, and description;

howsoever and whensoever arising, whether absolute or contingent, joint or several, matured or unmatured, direct or indirect, primary or secondary, and including without limitation, all future advances to the Assignor, and all liabilities of the Assignor under any guaranty executed in favor of the Assignee at any time.

THE ASSIGNOR DOES HEREBY ABSOLUTELY AND UNCONDITIONALLY CERTIFY, REPRESENT, AND WARRANT TO THE ASSIGNEE, AND COVENANTS AND AGREES WITH THE ASSIGNEE, AS FOLLOWS:

3. Assignor is the lawful owner and holder of each item of Pledged Collateral described in paragraph 1 hereinabove, and has a good and lawful right to pledge, mortgage, assign, transfer, and hypothecate the same to the Assignee; Assignor has not made any prior assignments or granted any prior security interests to any other party with respect to any of the Pledged Collateral; and no party whomsoever, other than the Assignee, has any lien upon, security interest in, or claim to any of the Pledged Collateral.

4. The Pledged Note, Trust Deed and the other Pledged Documents are presently in full force and effect, and enforceable according to their respective terms and have not been prepaid, modified or amended in any respect; and there are no existing defenses, offset, or counterclaims to the enforcement thereof.

5. This Collateral Assignment shall be governed by, and construed in accordance with the laws of the State of Tennessee, except as to mandatory provisions requiring the choice of the law of another state. Upon the occurrence of any default that is continuing under the Note or hereunder, or under any other documents pertaining to the Loan, Assignee shall have the right to exercise any remedies available to it under the Note, under this Collateral Assignment or under any other documents pertaining to the Loan.

6. Upon payment in full of the Obligations, this Collateral Assignment shall become null and void and of no further force or effect. At the request and sole cost of Assignor, Assignee will thereafter execute and deliver to Assignor a proper instrument or instruments acknowledging the satisfaction and termination of this Collateral Assignment (including without limitation, appropriate UCC-3 termination statements, terminating any financing statements as may have been filed to perfect the security interest created hereby), and will duly assign, transfer, and deliver to the Assignor all of Assignee's interest in the Pledged Collateral, without recourse and without any representation or warranty, express or implied.

IN WITNESS WHEREOF, the Assignor has executed this Collateral Assignment, on the day and year first above written.

COMMUNITY MORTGAGE CORPORATION

By: 

Title: EVP

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, MICHAEL E. HEWGLEY, a Notary Public in and for the State and County aforesaid, personally appeared Michael K. Wells, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself (or herself) to be the Exec. Vice Pres. of **COMMUNITY MORTGAGE CORPORATION**, the within-named bargainer, a Tennessee corporation, and that he as such Exec. Vice Pres. being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the association by himself as such.

WITNESS my hand and seal at office, on this the 21st day of February, 2007.



Notary Public

My Commission Expires:

7-10-07

